

Employer-Assisted Injury Reporting

Report to the Legislature

as required by Chapter 264, Laws of 2006



August 2009

This page intentionally left blank for back of cover.

Executive Summary

This report describes the results of a two-year pilot project in which a recruited group of Washington State employers assisted their injured workers in filing claims for injuries and occupational illnesses with the Department of Labor & Industries (L&I). In Washington State's traditional method of initiating workers' compensation claims, the healthcare provider submits a report of accident to L&I on behalf of an injured worker who has sought treatment.

After the pilot was approved in 2006, L&I began the project in January 2007 and will continue it through June 30, 2009.

Background

In 2006 L&I requested legislation to pilot the ability for employers to assist injured and ill workers in filing for workers' compensation benefits. This was part of our ongoing response to a 1998 Joint Legislative Audit and Review Committee (JLARC) report and stakeholder concerns about delays in benefit payments to injured workers and the lack of employer involvement in claims management. In response, the legislature passed Substitute House Bill 2537 directing L&I to pilot an employer-reporting system.

In addition, L&I has been interested in testing approaches that reduce delays and as a result reduce overall claim costs. Industry reports have shown that claims with a reporting lag greater than two weeks cost more^{1, 2}

Goals of the pilot

The employer-reporting pilot was developed to test concepts that:

1. Having employers report injury and illness would reduce delays in providing benefits to workers.
2. Involving employers more directly early in the claims might assist in claim management, including improved effectiveness at returning the worker to work.

¹ Glen-Roberts Pitruzzello, "The High Cost of Delays: Findings on a Lag-Time Study," Issues, National Council on Compensation Insurance, Summer 2000.

² Mary Montgomery, "Performance Metrics That Work," LibertyDirections, Liberty Mutual, Spring 2003.

Challenges of implementing the pilot

Participation has been limited, despite significant recruitment efforts.

Employer participation in the pilot has been much lower than the legislation allows. At the time of this report, 377 employers were participating. (The first year of the employer pilot began in January 2007 with 300 employers participating. In the second year, another 77 employers joined.) In comparison, the legislation allows 500 participants in the first year and 750 in the second year.

L&I made significant efforts to recruit employers, including:

- Placing paid advertising in newspapers and trade journals
- Asking business and labor leaders to assist with advertising
- Posting recruitment information on our Web site
- Sending personal letters to the top 5,000 policyholders, and
- Making personal phone calls to any employer that asked for information.

In addition, though we attempted to attract representation of the total population of employers, participants are disproportionately made up of large firms and firms involved in retrospective rating.

The recruitment may have been complicated by participation criteria that L&I developed in response to stakeholders' comments. For example, one requirement for participation was that a firm had to have been in business for two years and expect to have claims — characteristics that essentially ensured that the pilot would include more large and mid-size firms. For more information about the criteria, refer to page 6 of the report.

Process changes for the pilot produced unintended consequences.

To provide benefits and services in a timely way for employer-reported claims, L&I had to create special processes and provide special handling. In two cases, special handling was required to deal with the unintended consequences of changes in process.

Lack of medical information delayed claim decisions.

Employer-filed claims arrived without the medical documentation required to decide whether to allow or reject the claim. (We can't allow a claim without medical confirmation of a physical condition or illness as a result of the reported accident or exposure.) In many cases the worker apparently never sought medical treatment. Twenty-five percent of rejected employer-filed claims were rejected because we never received the healthcare provider's completed portion of the report of accident (ROA) form.

In jurisdictions that rely on employer and worker reporting this situation occurs frequently. These cases would typically be treated as incident reports requiring no additional handling. During the pilot, L&I had no process for distinguishing incident reports from ROAs. When employers submitted a report, claim managers had no alternative but to process a claim and actively seek medical information.

Due to uncertainty over the medical information, determinations for employer-filed claims took us an average of 23 days versus 13 days for traditionally-filed claims for the participating employers. (That the average time to make a determination on employer-filed claims was longer than on other claims does not appear to have delayed the payment of time-loss benefits. See Outcome 1.)

Health-care providers were confused by the pilot report of accident.

Health-care providers were confused by the choice between the traditional ROA and a ROA that was modified for the pilot. In many cases, providers had not seen the modified ROA and were reluctant to use it. Often they submitted the traditional ROA that included the workers' information — which was also submitted by the employer, resulting in duplicate claims.

For pilot claims that were not accepted, 28 percent were duplicates, requiring L&I staff to investigate and consolidate information into the original claim.

It was not possible to target communications to health-care providers. Because participating employers and their workers were located statewide, we couldn't predict which providers their employees would use.

Outcomes of the pilot

1. Employer-reporting may reduce delay.

The pilot suggests that employer-reporting can speed up the payment of the first time-loss check to the injured or ill worker. However, this conclusion must be treated cautiously due to the exceptionally low number of claims involved (see table 11). For claims received in the second year of the pilot, workers received their time-loss payments eight days faster on average than claims filed through the medical provider. (For more information, see pages 17–18.)

2. Providers faxed in accident reports, speeding up payments to workers.

The option of faxing in reports of accident was offered to health-care providers for the first time in 2006. They responded actively then and continued to do so during the employer-reporting pilot, even though we offered no financial incentives. Workers whose accident reports were faxed to L&I are receiving time-loss compensation payments six days faster on average than those whose reports are sent by mail.

3. Employers provided their information promptly.

Participating employers were more likely to complete and file the employer portion of the accident report when filing their own claims. L&I received the employer portion of the report on 94 percent of employer-filed workers' claims versus 62 percent of traditionally-filed claims. In those claims where the employer portion was filed, L&I received 43 percent in three days or less after the injury for employer-filed claims versus 3 percent in traditionally filed claims.

4. Employers filed 9 percent of their own workers' claims.

Out of a total of 7,344 claims filed by workers of participating employers during the two years of the pilot, only 681 claims were filed through the employer-reporting process — about 9 percent.

We can't say for sure why participating employers did not use the alternate process of more frequently. One explanation we heard anecdotally is that, for multiple-worksites firms, the employer representative who assists with the paperwork often is not in close proximity to an injured worker needing medical treatment. As a result, the worker seeks treatment with the medical provider and the claim is filed in the traditional manner.

In addition, in our survey at the conclusion of the pilot, some employers commented that they found the additional paperwork burdensome.

5. Follow-up surveys indicated both satisfaction and frustration.

Some employers said that pilot-related training and support from L&I gave them a much better understanding of claims processes. They felt that they received better responses from L&I staff on both general questions and claim-specific issues. For some

employers, the employer-reporting process provided early knowledge of claims and improved communication with workers regarding the filing of claims.

Negative comments included employers who wished the process had mandated that workers file claims through them. In some cases, employers felt that communications had not improved, and that despite the employer's efforts, employees still went to the doctor first before advising them that an incident had occurred, depriving them of early notice.

Recommendations

The employer-reporting pilot provided L&I and our stakeholders with valuable insights about how to reduce delays in our processes and improve claim management. The following recommendations are based on the employer-reporting pilot, the Centers of Occupational Health Education (COHEs), and our earlier educational initiative (SHB 1918).

1. L&I should market the use of faxed reports of accident among health-care providers.
2. L&I must make it easier for employers and injured workers to provide information to us, ideally by phone and Web-based reporting. Customers expect easy-to-use processes and employer reporting as piloted is not easy.
3. Additional education is needed to help employers better understand the extent to which their prompt involvement in their employee's claims could improve outcomes for the injured worker and reduce their own costs for premiums.
4. We must develop new procedures within L&I to reduce the amount of time needed to process initial reports, make initial determinations about claims, refer workers and/or employers for L&I services, and begin payment of benefits.
5. Before implementing employer reporting more broadly, L&I must develop alternatives to the special-handling processes used during the pilot; they are not sustainable.

Moving forward in improving the workers' compensation system

Keeping injured workers on the job, and preventing long-term illness or disability for injured workers requires intervention within a brief window of time early in the claim. All parties need to be actively involved. To enable early and active involvement, L&I is moving ahead with improvements to its intake and claim management processes.

Early Claim Solutions

Based on lessons from the employer-reporting pilot, the Centers of Occupational Health Education (COHEs), and our earlier educational initiative, L&I has designed a new initiative, called [Early Claim Solutions](#). Strategies used in other states and jurisdictions are also incorporated.

Early Claim Solutions is designed to speed up claim reporting, decision-making about claims, and the provision of services to workers and employers that are appropriate to their needs. The goals of the initiative include helping injured workers receive medical treatment and return to their jobs more quickly, keeping workers on the job when appropriate, reducing costs for employers and the workers' compensation system, and improving customer satisfaction.

The Early Claim Solutions project lays the groundwork for development of a system in 2009–2011 that will allow workers and employers to report accidents and claims over the phone, or using the Web, further speeding up the process. Early Claim Solutions was approved as part of the budget package for the 2009–2011 biennium. More information is available at www.EarlyClaims.Lni.wa.gov.

Need for statutory changes?

During the Early Claim Solutions project, we will determine whether needed administrative changes require statutory amendments or can be addressed through policy and/or rule.

Table of Contents

Executive Summary	i
Background	i
Goals of the pilot.....	i
Outcomes of the pilot.....	ii
Challenges of implementing the pilot.....	iii
Conclusions	iv
Moving forward in improving the workers' compensation system	v
 Report on the Employer-Reporting Pilot	 1
Background	1
Passing SHB 1918	1
Department-request legislation approved in 2006.....	2
Results of the employer-reporting pilot.....	4
Criteria for participation	5
Employer agreement for participation	5
Administrative challenges.....	6
Employer recruitment	6
Dealing with lack of medical information	6
Employer education.....	7
Participation by employers	8
Characteristics of pilot firms.....	8
Limited use of employer-filing alternative.....	10
Claim outcomes	11
COHE claims excluded from analysis.....	11
Higher share of employer-filed claims rejected.....	12
Filing method did not appear to impact claim status.....	14
Employers filed more claims related to occupational disease	14
Protest patterns did not vary.....	14
L&I received more input by employers.....	15
Impact of early input by employers	16
Reductions in delay for time-loss payments.....	17
Early availability of medical documentation may reduce delay.....	18
Feedback following the employer-reporting pilot	19
Lessons learned from recruitment	19
Lessons learned about communication.....	19
Lessons learned about process.....	20
Moving forward.....	22
Fostering early action with Early Claim Solutions	22
In conclusion	23
 Appendices	 24
Appendix A — Letter of agreement about participation criteria	24
Appendix B — Training materials	26
Appendix C— L&I communications with workers about missing medical documentation.....	33

This page intentionally left blank for back of table of contents.

Report on the Employer-Reporting Pilot

Background

Workers' compensation claims in Washington State have traditionally been initiated when a report of accident is filed by a health-care provider on behalf of an injured worker who has sought treatment. A 1998 performance audit by the Joint Legislative Audit and Review Committee (JLARC) found that this system of reporting was one of the principle causes for delays in benefit payments to injured workers. The audit also suggested that the traditional system of reporting was one of the reasons for lack of employer involvement in claims management.

In response to stakeholders and the JLARC findings, the Department of Labor & Industries (L&I) took a number of steps to test changes in processes that would encourage involvement of an employer earlier in compensable claims. In 1999 claims staff were required to initiate phone calls with employers within 48 hours of the department's receipt of a claim that involved time-loss in addition to medical expenses. A year later, this process was abandoned based on customer feedback that the approach was too time-consuming for employers and their representatives.

In 1999 agency-request legislation was proposed to implement a form of employer reporting. This was not passed in the 2000 legislative session.

Passing Substitute House Bill 1918

In 2005, Substitute House Bill 1918 (SHB 1918) was passed requiring the department to make process changes to encourage both early reporting of claims by health-care providers and earlier notification to employers that a claim had been received. The key changes mandated by SHB 1918:

1. Send a copy of the report of accident (ROA) to the employer and request that the employer submit their portion of the ROA form and provide a telephone number for assistance in the reporting process.
2. Provide a means for medical providers to fax ROAs to L&I.
3. Develop and implement an educational initiative to encourage the reporting of industrial injuries by the worker to his or her employer and by the employer to the department. Educate workers and employers about the benefits and importance of prompt reporting of injuries.
4. Develop and make statutory recommendations by December 1, 2006 for an alternative system of reporting injuries under which the worker would report to the employer and the employer would report to the department. Begin an educational effort to promote this method of reporting if the legislation passes.

5. Conduct a study of:
 - a. Claims that are not reported promptly;
 - b. Effect of the educational initiative to encourage the reporting of industrial injuries by workers to the employer and by the employer to L&I;
 - c. Results of the efforts of the Centers of Occupational Health Education (COHE) in early notification of employers;
 - d. Report to the appropriate legislative committees by December 1, 2006 on the results of the study.

L&I implemented the statutory changes in early 2006, conducted the required study and issued a report in December 2007.³

Department-request legislation approved in 2006.

In 2006 department-request legislation, SHB 2537, passed the legislature, in part directing L&I to report back to the legislature in December 2007 and 2008 the findings of a study regarding the items summarized below:

1. Claims that are not reported promptly;
2. The effects of the educational initiative required by the bill;
3. The results of the Centers of Occupational Health Education (COHE) in early notification of employers and the general lessons that can be drawn from these results for the larger workers' compensation system; and,
4. The results of the pilot program for workers to begin the process of claim filing through the employer and whether additional statutory changes are required or recommended to implement this process for all employers and workers.

The 2007 report to the legislature focused on the first three reporting requirements. Those findings are recapped below:

1. Claims that are not reported promptly

Evaluating the type of injuries involved and the reasons for the failure to report promptly, L&I found the following:

- a. Most claims are reported within two weeks following injury (68 percent).
- b. There was no strong evidence of variation in reporting lags by quarter of injury or industry.
- c. Claims with longer reporting delays cost more on average. A claim with a reporting lag of four weeks costs on average 20 percent more than a claim

³ The 2007 report is available at: www.Lni.wa.gov/ClaimsIns/Files/DataStatistics/DataAnalysis/EmployerAssistedInjuryReporting.pdf

received in the initial week following an injury; a claim received in the eighth week following an injury is on average 70 percent higher (based on case incurred amounts).

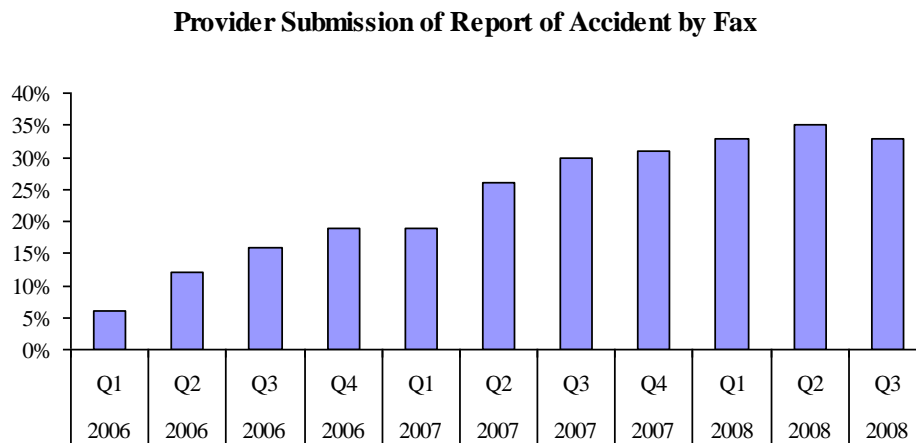
- d. Certain injury types such as hernias and knee and shoulder dislocations are disproportionately represented in the category of claims with long reporting lags.
- e. The results of a 2007 survey of injured workers found that the largest percentage of injured workers who delayed filing their claims attempted self-care first and only sought medical care and filed a claim when their condition failed to improve or worsened.

2. The department's educational initiative

As part of the implementation of SHB 1918, L&I engaged in an educational initiative designed to involve employers earlier in the claim process, preferably immediately following an injury.

In addition to educational efforts aimed at employers and injured workers, L&I reached out to medical providers by offering them the opportunity to fax in report of accident (ROAs). The fax option was instituted in February 2006. Prior to this, ROAs were mailed in, delaying the initiation of claims. The use of the fax lines for submitting ROAs grew steadily in the first year and a half. The growth has leveled off with about 33 percent of accident reports being submitted in this manner (non-COHE claims).

Figure 1



Giving providers the option of faxing in accident reports has resulted in faster payments to injured workers. Workers whose accident reports are faxed to L&I are receiving time-loss compensation payments six days faster on average than those reports that are sent by mail (Table 1).

Table 1

Time Loss Claims Received January - September, 2008, Payment Lags (days)

	Injury to 1st TL Payment (average)	Injury to 1st TL Payment (median)
State Fund (not faxed)	44.1	26
State Fund Fax	38	23

Note: Allowed State Fund Claims, excluding COHE claims. Occupational Disease Claims are excluded. The data is based on the October 2008 L&I data warehouse load. As allowance and disease status can change over time, the numbers presented will differ if run from data extracted at a different point in time. The individual averages are calculated using different sets of claims dependent on the dates following a logical sequence of injury, 1st medical visit, receipt, payment.

Note: These durations are influenced by the length of time between the date of injury and the date that L&I receives the claim — a span that is outside L&I's control.

Centers of Occupational Health and Education (COHE)

Since 2002 L&I has been involved in the Occupational Health Services Project, a major initiative that developed the Centers of Occupational Health and Education (COHE). This initiative seeks to ensure that occupational health best practices are followed by medical providers when treating injured workers at various locations throughout the state. Extensive research studies of the COHEs have found reduced disability and lower claim costs.

L&I has continued to expand COHE throughout Washington. One of COHE's key aspects is a focus on early notification. When providers submit the ROA within two business days of the first medical visit, they receive a higher payment for completing the form.

Results of the employer-reporting pilot

In addition to the study outlined above, SHB 2537 required L&I to pilot an alternative system of voluntary claim filing. The current report to the Legislature focuses on the results of the pilot of employer-reporting and makes recommendations for the future.

The alternative system encourages workers to report claims directly through their employer and requires participating employers informed of such a claim to assist the injured worker in filing for benefits by directly initiating the claim with the department.

According to the legislation, employer participation in this pilot had to be voluntary. Workers employed by these volunteer employers had to be given the choice of filing their claims directly through the participating employer or their health care provider.

Criteria for participation

L&I's director and the sponsoring legislators, Senator Kohl-Welles and Representative Conway, agreed that employers would have to meet specific criteria in order to participate. (See Appendix A for agreement letter.) With input from the Workers' Compensation Advisory Committee (WCAC) and their stakeholders, the following employer criteria were developed. Employers had to meet them at the time they signed up to participate:

1. Must have L&I accounts in good standing
 - No outstanding premiums or penalties.
 - If they were a contractor, they had to be appropriately registered.
2. Must have an acceptable Division of Occupational Safety and Health record.
 - No willful, repeat-serious, or failure-to-abate violations in the three years preceding the pilot.
3. Must have been in business for two years.
4. Must expect to have claims during pilot despite good efforts to prevent injuries.

L&I was required to recruit a mix of employers that were diverse in industry, size, geography, and level of union membership among their employees.

Employer agreement for participation

Employers volunteering to participate in the pilot had to sign an agreement that they would:

1. Provide workers with written materials from L&I that explained the pilot and workers' rights under workers' compensation laws and their right to choose to file with the employer as well as posting such notifications in the workplace.
2. Provide L&I with logs of on-the-job accidents and injuries.
3. Provide workers and L&I with written confirmation that the worker chose to initiate a claim through the employer.
4. Agree to meet L&I's expectations for prompt claim filing within two days of worker completion of the ROA.
5. Assist L&I in periodic employee surveys to identify incidents in which employers may be directing care or discouraging the filing of a claim.
6. Provide L&I with any information that may be needed for a report to the legislature.

Based on the requirements of the pilot laid out in the legislation, L&I recognized early on that while it might be ideal to run a blind pilot of the employer-reporting processes, it would not be possible. First, the legislation required that employers volunteer to participate and meet specific selection criteria. In addition, workers for these employers could choose to file through the employer or through their health care provider.

Administrative challenges

Employer recruitment

The department undertook an educational initiative to encourage employers to participate in employer filing. Initial announcements of the pilot were made using contacts with newspapers, trade journals and a letter to small businesses. Recruitment intensified through summer and fall 2006. Press releases were targeted to business editors. A letter from Robert Malooly, Assistant Director for Industrial Insurance, was sent to firms with large premium volume. L&I's Small Business Liaison developed a fact sheet to distribute when meeting with small business representatives. We added an announcement to the L&I website encouraging employers to sign up for a service that would provide communications to them electronically. The Web was updated periodically as recruitment intensified. The department asked members of the labor and business communities to provide information to their constituents and to encourage participation in the pilot.

Despite the intensive recruitment, the number enrolled fell short of the maximum allowed participation of 500 firms. At the time of the first report, there were 315 employers participating in the pilot.

For the second-year recruitment, L&I sent all year-one participants a letter advising them that enrollment was open for the second year and asking them to let potential employers know about the project. Based on the success of the recruitment letter in the first year, the department sent a recruitment letter to the top 5,000 policyholders based on assessed premium. The letter advised the employers of the pilot and period of enrollment. Employers recruited in the second year of the pilot were offered training in late April 2007, at sessions held in Tumwater, Tukwila, Mt Vernon, Spokane, and Yakima.

Dealing with lack of medical information

The department's internal processes for handling State Fund claims are designed to deal with claims that arrive with the completed worker and provider portions of the form together. Receiving the worker's portion constitutes filing for benefits and the health-care provider information provided us with a diagnosis of a medical condition, an opinion about the condition's relationship to the incident or disease, and certification of

any time off work or restrictions on returning to work — the information required to decide whether or not to accept the claim.

With workers filing through their employers, the application we receive from the worker usually does not include the health-care-provider information needed to adjudicate the claim. This means we had to create special processes to obtain the medical information needed to process benefits and help with return-to-work efforts.

Because the employer-reporting process was significantly different than provider reporting, we developed specialized reporting forms to accommodate employer-filed claims and allow claim staff to distinguish them from other claims.

We also established special claim numbers so that employer-filed claims would be easily recognized. When these claims are initiated into our system we do not know if the worker has sought medical treatment. Therefore these claims are initiated in our system for priority handling similar to time-loss claims.

This special handling sped up the process of getting a claim into the hands of a claims manager who could then contact the worker and/or employer for key information and determine if the worker sought medical treatment and with whom. If the worker indicated they had been seen by a health care provider, the claim manager would contact that provider to quickly obtain the needed medical information to adjudicate the claim and pay benefits as appropriate. We also limited the number of staff handling these claims through the end-to-end process to insure special workflows, letters, and handling procedures were used.

Employer education

Employers and their representatives participating in the first year of the pilot were trained on the employer claim-filing process in December of 2006. Instructor-led classes were conducted in both Eastern and Western Washington. Educational materials documenting the process for both workers and employers were made available during the training and on our Web site. These materials included:

- Worker and employer checklist
- Question and answer document for workers and employers
- Poster for the employer to display at the worksite.

For samples of training materials, refer to Appendix B.

Participation by employers

Characteristics of pilot firms

Currently 377 employers are participating in the pilot. Table 2 shows participating employers by year of enrollment.

Table 2
Active Participants at Time of Report:

Enrolled	Employer s
Year 1	300
Year 2	77
Total	377

Recruitment efforts were aimed at attracting a group of firms that were a good representation of the total population. Despite these efforts, the makeup of firms participating in the pilot was disproportionately weighted toward large firms and firms that participate in retrospective rating⁴ (Tables 3 and 4). This is not necessarily problematic: while firms in the 20-plus-employee class are fewer in number, these employers account for the largest share of claims.

One reason that the makeup of pilot employers varies from that of the State Fund as a whole is the criteria employers had to meet in order to participate in the pilot. For example, the requirement that a firm be in business for two years along with the expectation that they would have claims despite efforts to prevent injuries essentially ensured that large and mid-size firms would be more likely to participate.

Table 3
Policy Size

	Pilot Firms	Total State Fund
Small: <=20	8%	90%
Medium: 21 to 100	44%	8%
Large: >100	48%	2%
Total	100%	100%

Note: Based on the highest quarter hours 2007 Q3 - 2008 Q2. Pilot firms identified by policies participating as of September 2008. Source: L & I Data Warehouse September load.

⁴ Retrospective rating is an optional financial incentive program offered by Labor & Industries. It is intended to help qualifying employers reduce their industrial-insurance costs safety programs and claims management practices such as early return to work.

Table 4
Reported Hours by Retro Status

	Pilot Firms	Total State Fund
Non Retro Hours	39%	64%
Retro Hours	61%	36%
Total	100%	100%

Note: State Fund Hours 2007 Q3 - 2008 Q2. Pilot firms identified by policies participating as of September 2008.
Retro Status base on 2008 Q2. Source: L & I Data Warehouse September load.

In terms of industries represented, the second year of the pilot brought in a slightly more diverse group of participants than Year 1. Under-represented industries in the pilot group include retail, accommodation and food services, and some of other service sectors. Construction, manufacturing, information, and educational services are highly represented (Table 5). This too was likely influenced by the participation criteria such as the expectation of a certain volume of claims and the requirement to have been in business for two years.

Participating pilot employers differed from other employers in the State Fund in terms of industry and size, factors known to affect claim outcomes. To minimize distortion, we evaluated the employer-filed claims by comparing them with claims from the same employers filed using the traditional method through the medical provider.

Table 5
Participation by Industry and Hours Worked

Enrolled NAICS Sector	Pilot Firms		Total State Fund	
	Hours	%	Hours	%
ACCOMMODATION AND FOOD SERVICES	2,860,922	2.6%	278,208,034	8.2%
ADMIN & SUPPORT & WASTE MANAGEMENT & REMEDIA T	4,550,596	4.1%	197,169,784	5.8%
AGRICULTURE, FORESTRY, FISHING AND HUNTING	6,037,609	5.5%	119,963,608	3.5%
ARTS, ENTERTAINMENT, AND RECREATION	116,592	0.1%	46,039,610	1.4%
CONSTRUCTION	14,989,687	13.6%	321,297,293	9.5%
EDUCATIONAL SERVICES	16,087,908	14.6%	162,544,928	4.8%
FINANCE AND INSURANCE	2,616,949	2.4%	139,098,351	4.1%
HEALTH CARE AND SOCIAL ASSISTANCE	10,949,819	9.9%	352,490,199	10.4%
INFORMATION	8,360,943	7.6%	57,944,494	1.7%
MANAGEMENT OF COMPANIES AND ENTERPRISES	21,073	0.0%	1,612,402	0.0%
MANUFACTURING	13,063,249	11.9%	260,178,033	7.7%
MINING	422,257	0.4%	5,931,931	0.2%
MISSING OR UNKNOWN	664,387	0.6%	103,548,174	3.1%
OTHER SERVICES (EXCEPT PUBLIC ADMINISTRATION)	1,227,199	1.1%	158,423,989	4.7%
PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES	3,432,460	3.1%	272,415,757	8.0%
PUBLIC ADMINISTRATION	4,990,064	4.5%	160,057,365	4.7%
REAL ESTATE AND RENTAL AND LEASING	2,199,165	2.0%	111,555,203	3.3%
RETAIL TRADE	7,198,492	6.5%	352,027,620	10.4%
TRANSPORTATION AND WAREHOUSING	3,199,528	2.9%	90,486,883	2.7%
UTILITIES			10,172,490	0.3%
WHOLESALE TRADE	7,171,836	6.5%	188,078,464	5.5%
Total	110,160,735	100.0%	3,389,244,612	100.0%

Note: Sate Fund Hours 2007 Q3 - 2008 Q2. Pilot firms identified by policies participating as of September 2008.

Source: L & I Data Warehouse September load.

Limited use of employer-filing alternative

The pilot began January 1, 2007 with the participation of year 1 employers. Participants enrolled in the second year of the pilot began actively filing claims using the employer-filing method on May 1, 2008.

Over the course of the pilot, about 9 percent of claims filed by pilot firms were filed through the employer. The remaining 91 percent were filed through the medical provider, the traditional method. A total of 7,344 claims were filed by employers who are currently participating in the pilot (Table 6). The majority of the claims were filed by employers enrolled in the first year.

Table 6**Filing Method, All Claims Received During Pilot Participation, by Enrollment Period**

Enrollment	Employer Filed		Traditional		Total	
Year 1	658	10%	6,188	90%	6,846	100%
Year 2	23	5%	475	95%	498	100%
Total	681	9%	6,663	91%	7,344	100%

Claim outcomes

COHE claims excluded from analysis.

The Occupational Health Services Project promotes the use of occupational health best practices. Extensive research has found that the COHEs reduce disability and minimize cost. COHE providers and administrative staff have received extensive training about L&I processes and resources. To minimize distortion in the analysis of the employer-reporting pilot, COHE claims were excluded, or 21.7 percent of the claims filed by employers participating in the pilot.

Table 7**Number of COHE Versus Non COHE Claims Received During Pilot Participation**

Claim Type	(N)	(%)
Non COHE	5,747	78.3%
COHE	1,597	21.7%
Total	7,344	100%

Pilot claims that were filed traditionally were more likely to be COHE claims (22 versus 16 percent, Table 8). This difference was statistically significant.⁵ This may simply be due to the speed at which COHE providers submit claims. (A COHE best practice is the submission of a claim within 48 hours of first medical treatment.) Given the quick turnaround, it may be less likely that an employer-filed claim would be received prior to a traditionally filed COHE claim.

Table 8**Claims by Filing Method, COHE VS Non-COHE, All Claims Received During Pilot Participation**

COHE	Employer Filed		Traditional		Total	
No	573	84%	5,174	78%	5,747	78%
Yes	108	16%	1,489	22%	1,597	22%
Total	681	100%	6,663	100%	7,344	100%

⁵ All statistical tests were two-sided with statistical differences defined by p-values of .05.

Higher share of employer-filed claims rejected.

A review of the relationship between adjudication decision and filing method shows that a higher share of employer-filed claims are rejected. This difference is statistically significant (Table 9).

Table 9
All Claims Received During Pilot Participation by Determination Status (non-COHE)

Determination Status	Employer Filed		Traditional		Total	
Allowed	444	77%	4,567	88%	5,011	87%
Rejected	107	19%	482	9%	589	10%
Undetermined and Missing	22	4%	125	2%	147	3%
Total	573	100%	5,174	100%	5,747	100%

In many cases, employers filed reports for minor accidents for which the worker did not choose to seek medical treatment. As a result, the department ultimately rejected those claims for lack of any medical condition or information from the medical provider.

As described in an earlier section on administrative challenges, the disconnect between the receipt of a claim from the employer and receipt of medical documentation from the treating provider required special handling by L&I staff. In addition, L&I had no process for distinguishing incident reports from reports of accident. The same situation — lack of medical treatment — is common in other jurisdictions in which employers file claims for their workers.

To minimize delays in benefit payments for employer-filed claims, when L&I received the employer and worker information, the claim manager made phone calls to determine if medical treatment was sought and with whom. If claim managers were unable to contact a worker by phone, they sent letters requesting the medical information. Claim managers waited 90 days for a response before rejecting the claim for lack of medical information. When we rejected a claim for this reason, we sent the worker a letter explaining that once the rejection became final, they would not be able to re-file a claim for the incident at a later date. Refer to Appendix C for L&I written communications about missing medical documentation.

Table 10**Rejected claims Received During Pilot Participation by Determination Status (non-COHE)**

	Employer Filed		Traditional	
	(N)	%	(N)	%
DUPLICATE REJECTION - CLAIM HAS BEEN REJECTED BECAUSE IT IS A DUPLICATE OF ANOTHER CLAIM THAT HAS ALREADY BEEN RECEIVED BY THE DEPARTMENT FOR THE SAME INJURY OR OCCUPATIONAL DISEASE.	30	28%	75	16%
THAT NO LICENSED PHYSICIAN'S REPORT OR MEDICAL PROOF HAS BEEN FILED AS REQUIRED BY LAW.	27	25%	4	1%
THAT THERE IS NO PROOF OF A SPECIFIC INJURY AT A DEFINITE TIME AND PLACE IN THE COURSE OF EMPLOYMENT.	16	15%	232	48%
THAT NO PERSONAL INJURY WAS SUSTAINED BY THE CLAIMANT NOR OCCUPATIONAL DISEASE CONTRACTED. INOCULATION OR OTHER IMMUNOLOGICAL TREATMENT TO AVOID THE OCCURRENCE OF AN INFECTIOUS OCCUPATIONAL DISEASE MAY BE PAID FOR AT THE DEPARTMENT'S DISCRETION.	16	15%	16	3%
THAT CLAIMANT'S CONDITION IS NOT THE RESULT OF INJURY ALLEGED.	9	8%	51	11%
THE CLAIMANT WAS AN OREGON WORKER AT THE TIME OF INJURY AND IS NOT COVERED UNDER THE INDUSTRIAL INSURANCE LAWS OF THE STATE OF WASHINGTON.	1	1%	8	2%
THAT NO CLAIM HAS BEEN FILED BY SAID WORKER WITHIN ONE YEAR AFTER THE DAY UPON WHICH THE ALLEGED INJURY OCCURRED.	1	1%	9	2%
THAT CLAIMANT'S CONDITION IS NOT THE RESULT OF AN INDUSTRIAL INJURY AS DEFINED BY THE INDUSTRIAL INSURANCE LAWS.	1	1%	34	7%
THAT AT THE TIME OF INJURY THE CLAIMANT WAS NOT IN THE COURSE OF EMPLOYMENT.	2	2%	9	2%
CLAIM IS REJECTED FOR SOME REASON OTHER THAN THOSE LISTED FOR AUTOMATED REJECTION ORDERS	2	2%		
ALL OTHER	2	2%	44	9%
Total	107	100%	482	100%

Filing method did not appear to impact claim status.

The data from pilot claims showed no significant relationship between filing method and claim status (Table 11). The share of claims in the various categories such as medical only, time loss and permanent partial disability are similar at this point.

Table 11

All Allowed Claims Received During Pilot Participation by Status (non-COHE)

	Employer Filed		Traditional		Total	
Other and Permanent Total	10	2%	119	3%	129	3%
Kept on Salary	32	7%	249	5%	281	6%
Medical Aid Only	304	68%	3,376	74%	3,680	73%
Miscellaneous	5	1%	27	1%	32	1%
Permanent Partial Disability	27	6%	225	5%	252	5%
Time Loss	66	15%	571	13%	637	13%
Total	444	100%	4,567	100%	5,011	100%

Employers filed more claims related to occupational disease.

Although the numbers are small, claims adjudicated as occupational disease cases account for a significantly higher share of employer-filed claims (Table 12). This may be due to the long development of these types of claims, giving employers greater opportunity to become aware of them and to become involved in the filing of the claim.

Table 12

All Claims Received During Pilot Participation by Occupational Disease Status (non-COHE)

	Employer Filed		Traditional		Total	
No	412	93%	4,384	96%	4,796	96%
Yes	32	7%	183	4%	215	4%
Total	444	100%	4,567	100%	5,011	100%

Protest patterns did not vary.

Another hypothesized benefit of the pilot was that involving both the employer and injured worker early on in the claims process might reduce contention and result in fewer parties protesting. To date, there is essentially no difference in the share of non-protested claims in the employer-filed and traditionally-filed claim groups (Table 13).

Protests of employer-filed claims appeared similar to protests of traditionally-filed claims. Employers protested the share of liability assigned on occupational disease claims, or that an injury did not occur at work but was a pre-existing condition, and in one case, that there were no witnesses to the injury. The positive outcome is that the

employers who submitted these protests assisted their workers in filing even though they did not agree with the claims.

Workers' protests on employer-filed claims included common reasons such as the compensation rate established on the claim, disagreement with the claim's rejection, and protesting closure. In short, the protest reasons were similar to those of protests for claims filed in the traditional manner (Table 14).

Table 13
All Claims Received During Pilot Participation by Protest Status (non-COHE)

	Employer Filed		Traditional		Total	
No Protest	507	89%	4,708	91%	5,215	91%
Protest	66	12%	466	9%	532	9%
Total	573	100%	5,174	100%	5,747	100%

Table 14
All Claims Received During Pilot Participation by Protest Party and Type (non-COHE)

Percent of Total Claims with Protest of:	by Claimant:		by Employer:		by Provider:	
?	Employer Filed	Traditional	Employer Filed	Traditional	Employer Filed	Traditional
Allowance	0.2%	0.1%	2.8%	3.1%	0.0%	0.0%
Closure	1.7%	1.3%	0.5%	0.4%	1.4%	1.5%
Others	1.4%	0.6%	1.0%	0.4%	0.7%	0.1%
Overpayment	0.2%	0.3%	0.0%	0.0%	0.0%	0.0%
Rejection	1.7%	1.1%	0.2%	0.3%	0.3%	0.4%
Reopening	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Time Loss or Payment Order	0.3%	0.3%	1.6%	1.1%	0.0%	0.0%
Wages	0.5%	0.4%	0.7%	0.4%	0.0%	0.0%

Source: L&I data warehouse, November load.

L&I received more input from employers.

An expected benefit of employer reporting is that L&I would receive more input from employers completing accident reports. Our data has confirmed this benefit — we received employer reports in 94 percent of the employer-filed claims, significantly higher than the 62 percent received for claims filed through providers. On employer-filed claims, we received 43 percent of the employer portions of accident reports in three days or less. When claims were filed through providers, we received only 3 percent of these forms from employers within the same timeframe (Table 15).

Table 15**Employer Portion Received? (non-COHE)**

EP received?	Employer Filed		Traditional		Total	
No	37	6%	1,987	38%	2,024	35%
Yes	536	94%	3,187	62%	3,723	65%
Total	573	100%	5,174	100%	5,747	100%

Received and Reported to the Department in <= 3 days (non-COHE)

	Employer Filed		Traditional		Total	
No	289	57%	3,020	97%	3,309	92%
Yes	222	43%	80	3%	302	8%
Total	511	100%	3,100	100%	3,611	100%

Note: The 3 day count was based on when the employer indicated it was reported to them. If this was not available, the count began on the date the employee indicated they reported the injury to their employer. Claims with a report date prior to injury and claims with a report date after the receipt date were excluded from the calculation.

Impact of early input by employers

Does this early input by employers impact the timeliness of benefits for injured workers? To answer that question, we looked at the average time to make claim determinations and make payments. As an additional benchmark, we also looked at claims of all other State Fund employers in addition to those participating in the pilot.

The median and average number of days required to make a decision to allow or deny a claim were longer for employer-reported claims (Table 16 and Figure 2). On the other hand, determinations on claims for pilot employers that were filed traditionally were on average slightly faster than those made on claims from non-pilot firms. This suggests that participating employers gained a better understanding of claim processes, so that when a claim was filed in the traditional manner they quickly provided needed information.

The reason for slower determinations on employer-filed claims was discussed earlier: lack of medical documentation when the claim arrives at L&I, requiring claim managers to seek out the information.

Figure 2

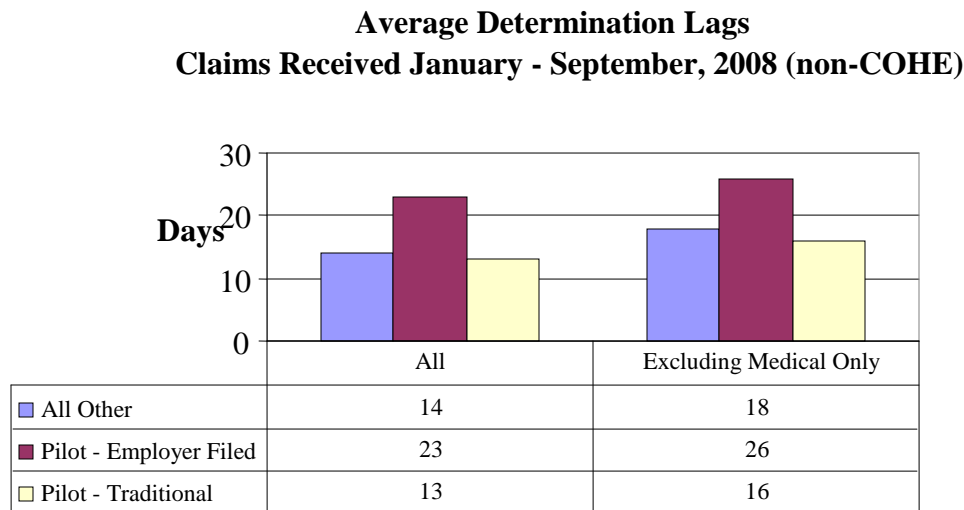


Table 16
Median Determination Lags, Claims Received January - September 2008, (non-COHE)

	All	Excluding Medical Only
All Other	7	7
Pilot - Employer Filed	13	15
Pilot - Traditional	7	7

Reductions in delay for time-loss payments

While the average time to make a determination on employer-filed claims was longer than on other claims, this does not appear to have delayed the payment of time-loss benefits. The date that a worker is first eligible for time-loss benefits is known as the *disability date*. In traumatic cases, the injury date and disability date may be the same, but often the disability date is days or months after the injury date. This interval between injury and disability date occurs when the worker is able to continue with their regular employment despite the injury, but eventually must be off work as a result of the injury itself, or, for example, because of needed surgery related to the injury.

When time-loss benefits are due, workers whose claims are filed with the assistance of their employer are receiving their time-loss payments faster on average than claims filed through the medical provider (Figure 3). This is true when looking at the duration, or lag, between injury date and first payment of time-loss, and also at the lag between disability date and first payment of time-loss. However, the median number of days for these same measures is a bit higher for employer-filed claims (Table 17). Due to the exceptionally small number of employer-filed claims received in 2008 that also received time-loss, these numbers should be interpreted with caution.

Figure 3

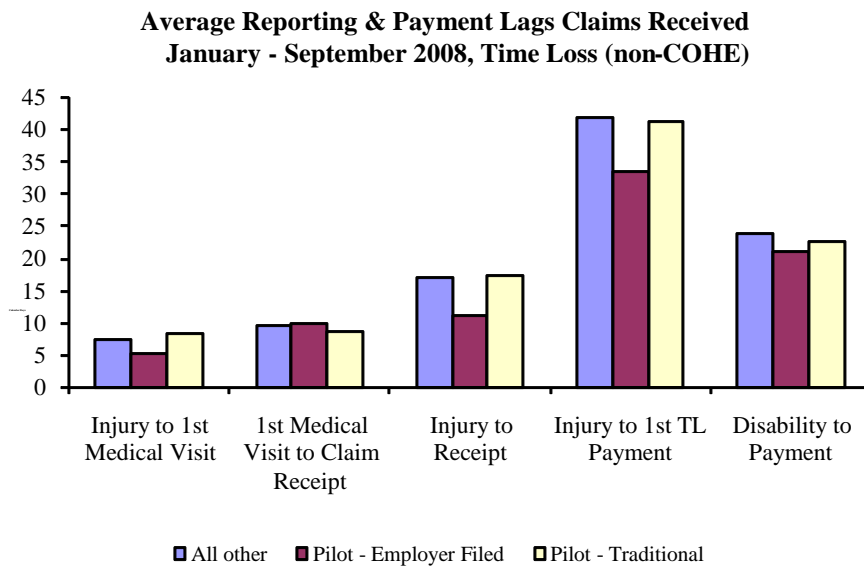


Table 17

Reporting & Payment Lags, Time Loss Claims Received January - September, 2008 (non-COHE)

	Injury to 1st Medical Visit		1st Medical Visit to Claim Receipt		Injury to Receipt		Injury to 1st TL Payment		Disability* to 1st TL Payment	
	Avg	Median	Avg	Median	Avg	Median	Avg	Median	Avg	Median
All other	7.3	1	9.5	6	17.0	8	41.9	25	23.8	16
Pilot - Employer Filed	5.4	2	10.1	5	11.3	7	33.4	28.5	21.0	19
Pilot - Traditional	8.4	1	8.8	6	17.5	8	41.4	26	22.6	15

Note: Allowed State Fund Claims, excluding COHE claims. Occupational Disease Claims are excluded. The data is based on the October 2008 L&I data warehouse load. As allowance and disease status can change over time, the numbers presented will differ if run from data extracted at a different point in time. The individual averages are calculated using different sets of claims dependent on the dates following a logical sequence e.g., injury must be before 1st medical visit, etc.

* *Disability* is the date the worker becomes eligible for time-loss payments.

Early availability of medical documentation may reduce delay.

We wondered how the lack of medical documentation early on in many of the employer- filed claims might be influencing the timeliness of payments. Using the same set of employer-filed 2008 claims reported on in Figure 3 and Table 17, we split them into two groups: those that had medical documentation within two days of the date of claim receipt, and those that did not. Because of the very small number of claims, we also looked at this same metric for *all* claims received during the pilot, including those received in 2007.

The results, shown in Table 18, provide additional evidence that when L&I has documentation from all parties early in the claim, injured workers get their time-loss payments faster.

Table 18

Claims Received January 2008 - September 2008 (non-COHE)				
Was medical information available within 2 days of claim receipt?	Claims	Variable	Average (days)	Median (days)
No	10	Disability to payment	22.6	24
Yes	14	Disability to payment	19.9	14

Claims Received January 2007 - September 2008 (non-COHE)				
Was medical information available within 2 days of claim receipt?	Claims	Variable	Average (days)	Median (days)
No	37	Disability to payment	33.1	21
Yes	39	Disability to payment	20.1	15

Note: Allowed State Fund Claims, excluding COHE claims. Occupational Disease Claims are excluded. The data is based on the October 2008 L&I data warehouse load. As allowance and disease status can change overtime, the numbers presented will differ if run from data extracted at a different point in time.

Feedback following the employer-reporting pilot

In addition to evaluating our processes and claim outcomes for the pilot, we conducted an informal phone survey with participating employers. Both positive and negative comments are summarized listed below.

We also asked L&I staff involved with implementing the pilot or handling pilot claims for their perspective on lessons learned during the pilot.

Lessons learned from recruitment

The recruitment mechanism that produced the most interest and volunteers for the pilot was a personal invitation letter from the Assistant Director of Insurance to the top 5,000 employers based on premium size.

Lessons learned about communication

1. A number of participating employers found it very helpful to have a key contact person in the department to answer questions about employer reporting, and also general questions about claims.
2. Some participating employers found the training for the pilot very beneficial in helping them understand L&I claim processes. Some training was done at a central location, while other sessions were conducted at the participating employer's site. The most positive feedback related to on-site sessions.

3. Some of the positive comments indicated that the process provided an opportunity to improve communications with workers regarding filing claims, and opened up communication with staff or provided them with early knowledge of claim filing.
4. Some pilot employers felt that they received better-than-usual responses from L&I staff when they contacted us with general questions or claim-specific issues. One employer wanted the pilot to continue. They felt very positive about getting better and quicker information regarding injuries as their employees felt comfortable filing with them.
5. The negative comments included employers who wished that the process had mandated that workers file claims through them.
6. Some employers felt that communication between them and their employees did not change. Despite all the efforts put forth by the employer, employees still went to the doctor first before advising them that an incident had occurred, not giving them early notice as they had hoped.
7. Participating employers provided e-mail addresses, phone numbers, and contact people in their organizations. These volunteers asked to be e-mailed about key information regarding the pilot as well as periodic updates. This proved to be an unreliable way for L&I to communicate or collect information: e-mail addresses changed, and some employers did not regularly check their e-mail.
8. Employers were more likely to complete and file the employer portion of the accident report on employer-filed claims than on traditionally-filed claims. L&I received the employer portion on 94 percent of employer-filed claims versus 62 percent of traditionally-filed claims. In those claims where the employer portion was filed, we received 43 percent in three days or less for employer-filed claims versus 3 percent in traditionally filed claims.
9. Employers that assisted their workers in filing claims also protested the claim filings if they felt the claim wasn't work-related or had other concerns. Early in the pilot some doubt was expressed that employers would assist workers in filing if they didn't agree with the filing; this does not appear to be true.
10. It was difficult to communicate with health-care providers about the pilot project and the new report-of-accident forms. Targeted communications were impossible as participating employers were located statewide. Many health-care providers never saw the new forms.

Lessons learned about process

1. Giving providers the option of faxing in accident reports has resulted in faster payments to injured workers. Workers whose accident report was faxed to L&I are receiving time loss compensation payments six days faster on average than those whose reports are sent by mail (see table 1).

2. We saw a steady increase in the use of the fax-in option from health care providers from year one to year two without any monetary incentives being offered. (See Figure 1).
3. Claims had to be rejected when ROAs were received from workers, but no medical treatment was sought. We had no other process for dealing with what may have been incident reports rather than claims filed for benefits.
4. Claim managers felt that these claims required more upfront activities compared to traditionally-filed claims due to the need to make contacts regarding medical information if it did not come in with the ROA.
5. Because it was not mandatory for workers to file claims through them, some employers found it burdensome to complete the additional paperwork to assist their workers in filing claims.
6. Small firms did not want to take on the additional paperwork.
7. Duplicate claim filings were higher than usual for participating employers due to health care providers' unfamiliarity with the new ROA form and reluctance to complete it.

Moving forward

The employer-reporting process, as piloted under SHB 2537, resulted in fewer than 10 percent of claims being filed through the employer. That means that 90 percent of injured workers and their participating employers are still filing using the traditional method, possibly missing opportunities to reduce long-term disability through early intervention.

Fostering early action with the Early Claim Solutions project

Based on lessons learned in the employer-reporting pilot, L&I has designed a new initiative called [Early Claim Solutions](#) (ECS), which has received legislative support through funding provided for the 2009-2011 biennium. The ECS project's strategies are also modeled, in part, after best practices learned from Washington's Centers for Occupational Health and Education (COHEs). They replicate more efficient and modernized processes used in other states and jurisdictions.

The project will design and test new procedures to allow the filing of claims through the Web and telephone, refer workers and/or employers for immediate assistance to appropriate L&I services, expedite the initial allowance decisions, treatment authorizations and begin payment of benefits when appropriate.

Like the COHEs, Early Claim Solutions will provide financial incentives for medical providers to submit the report of accident form within two business days of medical service provided to a worker.

As part of the project, upon receipt of valid claims, a triage team evaluates the claims and the affected employer accounts to identify those that need "just-in-time" services such as aid in keeping a worker on the job, or with early return to work. Other services may include risk management to assist employers in examining opportunities for retaining their claims free discount. This project will lay the groundwork for the system development in 2009–2011 to allow workers and employers to report accidents and claims over the phone, or via the Web.

The Early Claim Solutions project will advise us on process and organizational changes to modernize of claim filing, allowing L&I to be more proactive and engage with medical providers, employers, and workers earlier in the process. We can communicate expectations and responsibilities, to ensure parties make educated decisions that promote the best outcomes, such as keeping or returning the worker to work.

By eliminating delays in the system and providing “just-in-time” services that allow employers and workers to make the right decisions at the right times, employers may pay less for claims, more workers may have the opportunity to stay at work with light duty or transitional work, and others will return to work sooner. More information is available at www.EarlyClaims.Lni.wa.gov.

In conclusion

The employer-reporting pilot was eagerly anticipated by both L&I and employers as a means of minimizing reporting delays while involving employers early in their claims. That participation was lower than expected may have been equally due to the employer criteria and to the unwillingness or inability of many employers to shoulder a new administrative burden. The employer-reporting process, as piloted, did not provide a mechanism for early action that worked for the majority of participating employers and their injured workers.

Preventing long-term illness or disability for injured workers requires intervention within a brief window of time early in the claim. All parties need to be actively involved. To enable early and active involvement, L&I needs to streamline its intake processes and continue its development of modern solutions that make it easier for employers to become involved with their claims.

Despite lower-than-expected participation, the employer-reporting pilot provided the department and stakeholders with significant information and valuable insight that are aiding us as we move forward with Early Claim Solutions.

Appendices

Appendix A



STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES
PO Box 44000 • Olympia, Washington 98504-4000

January 24, 2006

The Honorable Jeanne Kohl-Welles
Washington State Senate
432 John A. Cherberg Building
Olympia, WA 98504

The Honorable Steve Conway
Washington State Representative
307 John L. O'Brien Building
Olympia, WA 98504

RE: SB 6262/HB 2537 – Workers' Compensation Applications (Employer Reporting)

Dear Senator Kohl-Welles and Representative Conway:

Over the past few weeks, I have engaged in discussions with our business and labor stakeholders concerning L&I's request legislation to pilot the ability for employers to assist injured workers in filing workers' compensation claims. I believe we've made progress in addressing their issues with the legislative language.

Additionally, I think it is helpful to understand the expectations we anticipate for employers who wish to participate in the pilot. We intend to establish a requirement that employers meet certain minimum criteria such as maintaining their L&I account in good standing, having an acceptable WISHA citation record, and being in business for a specified time period.

For employers who are allowed to participate, we expect to enter into written agreements with each employer that would include requirements that they:

- Provide all workers with written materials developed by L&I to explain the pilot and the rights of workers under the workers' compensation laws
- Provide L&I with logs of their on-the-job incidents
- Provide workers with written confirmation that the worker has initiated the filing of a claim through the employer
- Agree to meet our expectations for prompt filing of the claim
- Assist the department in periodic surveys of employees to identify incidents where employers may be directing care or discouraging the filing of claims



January 24, 2006
Page 2

- Provide any information we may need for completion of the report to the Legislature concerning the results of the pilot

We consider these to be minimum elements for written agreements with participating employers. Other considerations may be added, as we discuss the pilot implementation with stakeholders.

Thank you for your sponsorship of this important legislation to improve Washington's workers' compensation system and for your continued support of our efforts. If you'd like to discuss the proposed pilot project further, please don't hesitate to let me know.

Sincerely,



Gary K. Weeks
Director

cc: Workers' Compensation Advisory Committee

Appendix B — Training materials



Worker Checklist

Employer Reporting Pilot Project

F242-375-909 [11-2006]

If a Workplace Injury/Disease Occurs

- ☐ You have the right to file a claim either through your employer or through the health-care provider of your choice. If you choose to file the claim through your provider, be sure to notify your employer that an accident occurred.
- ☐ You have the legal right to see a health-care provider of your choice to treat your work-related condition. Your employer cannot direct you to seek treatment from a specific provider.
- ☐ Work with your employer to complete your portion of the report of accident. Make sure your employer has all the information they need to complete their portion of the form.
- ☐ If your portion of the accident form was not submitted to the Department of Labor and Industries (L&I) with the employer section, send it to the L&I address indicated on the form as quickly as possible.
- ☐ Take the health-care provider portion of the report of accident to your provider to complete and submit.
- ☐ Staying in touch with your health-care provider and employer will assist in a speedy recovery and return to work. Your employer may be able to provide light or modified duties during your recovery.
- ☐ Contact L&I if your employer declines to file a claim on your behalf or if you have concerns about your employer's handling of your claim.
- ☐ Check the status of the claim and view claim information online by registering with L&I's Claims & Account Center at www.ClaimInfo.LNI.wa.gov or call your local L&I office.



Employer Checklist

Employer Reporting Pilot Project

F242-376-000 [11-2006]

If a Workplace Injury/Disease Occurs

- ☐ Advise the worker that they have the choice of filing a workers' compensation claim either through you – the employer – or through a health-care provider of their choice.
- ☐ If the worker chooses to file a claim through you, provide him/her with the needed forms.
- ☐ Offer to assist the worker to complete their report of accident form and, if possible, complete your portion at the same time.
- ☐ Advise the worker that they have the right to see a health-care provider of their choice for treatment of their workplace injury/disease.
- ☐ Stress the importance of taking the health-care provider portion of the report of accident to the provider to quickly complete and submit to the Department of Labor and Industries (L&I).
- ☐ Communicate the importance of complete information and facts that will assist in the speedy processing of the claim and benefit payments.
- ☐ Submit the employer portion of the form to L&I within two days of completing it.
- ☐ Follow up with the worker to ensure that he/she has completed and submitted their section of the accident report form and sought medical treatment.
- ☐ Determine if you have some light or modified duties the worker can perform, if indicated, during their recovery period. If so, provide the worker with a copy of the job description to take to his or her health-care provider for review.
- ☐ Work with your worker and their health-care provider in an effort to successfully return the worker to the workplace as soon as possible.
- ☐ Check the status of the claim and view claim information online by registering with L&I's Claims & Account Center at www.ClaimInfo.LNI.wa.gov.

You can now file a workers' compensation claim through your employer

Attention Workers

Employer Reporting Pilot Project

Your employer is participating in a two-year Employer Reporting Pilot Project sponsored by the Department of Labor and Industries (L&I). This means that, beginning January 1, 2007, you have the choice of filing a claim either through your employer or your health-care provider.

The goal of this project is to ensure that we at L&I make claim decisions quickly, and that your employer has the opportunity to work with you early in the claim process.

If you choose to file the claim through your health-care provider, be sure to notify your employer that an accident occurred.

That may mean your employer provides you with a light-duty or modified-duty job you are capable of doing safely while you recover.

This project does not interfere with your right to seek treatment from a health-care provider of your choice, or file a claim through your health-care provider.

For injuries requiring medical treatment, it is important that you file a claim to preserve your right to benefits should the injury get worse.

No matter who files your claim, L&I needs information from your health-care provider before we can authorize your claim. Make sure your provider fills out the medical section of the report of accident and sends it to us promptly.

Do you still have questions about filing a claim through your employer? Speak to your employer or contact L&I at 360-902-6201.



F242-379-909 [11-2006]



Employer Reporting Pilot Project Questions and Answers for Workers

F242-377-000 [11-2006]

What is the Employer Reporting Pilot Project?

In most states, workers initiate claims for workplace injuries or diseases through their employer. Your employer has volunteered for a pilot project to test this system in Washington. As a worker participating in this pilot, you will have the option of reporting and filing a workers' compensation claim through either your employer or your health-care provider.

Am I required to file a claim through my employer?

No. Your employer should help you understand the potential benefits of filing a claim through them, but you have the option to file through either your employer or the health-care provider of your choice. You need to comply with any company policy on reporting a workplace injury or occupational disease, and remember that you, or someone on your behalf, must report your accident to your employer.

If I can file a claim through my health-care provider, why should I file a claim through my employer?

Filing a claim through your employer has benefits for you, your employer, and the other workers at your company. Your employer will be able to help you file the claim, and since your employer will be involved right away, you won't lose the connection with your employer. It gives your employer a better opportunity to consider putting you in a light-duty job, approved by your health-care provider, or keeping you on salary while you recover. Finally, all your co-workers will benefit, because your employer will know what caused your injury, making it easier to correct any safety issues.

If I file a claim through my employer, will my employer take care of everything for me?

No. Although the employer will assist you, it is still your responsibility to make sure the Department of Labor and Industries (L&I) receives both the worker and health-care provider sections, as it is today.

What if my employer does not submit the worker section to L&I?

The report of accident is designed for the employer and worker to complete together. Your employer must submit the employer section within two days of completing it. You need to make sure that your section is completed and returned to your employer promptly. However, it is your responsibility to make sure that the worker section is completed and received by L&I. This is important to you because L&I cannot initiate a claim based on the employer section alone. We must have the worker section to initiate a claim.

If I file a claim through my employer, will I still have a choice of health-care provider or am I required to go to a health-care provider my employer chooses or suggests?

By law you have the right to choose any qualified health-care provider to treat your injury. Approved providers include medical doctors, osteopaths, chiropractors, naturopaths, podiatrists, dentists and optometrists. Advanced registered nurse practitioners and physician assistants may also provide treatment. Your employer cannot require you to obtain treatment from a specific health-care provider, interfere with treatment or direct the treatment in your claim. Contact L&I if this occurs.

Is an incident report the same as filing a claim?

No. An incident report is often required as part of an employer's accident prevention and risk management program, or required as part of state or federal regulation. If you have a work-related injury or occupational disease and require treatment, you will need to file an L&I report of accident either with your employer or health-care provider of your choice.

Do I have to use my private medical insurance or insurance provided by my employer for a work-related injury or exposure?

If you have a work-related injury or exposure at work, you should be covered under workers' compensation. If your claim is allowed, L&I will pay your medical expenses and any other benefits to which you're entitled. If L&I does not allow your claim, you will be responsible for your medical expenses. L&I will, however, pay for the initial medical visit and for your health-care provider to complete the report of accident form.

Can my employer prevent me from filing a claim?

No. It is your right under state law to file a claim for a work-related injury or exposure. If your employer disagrees with the claim, he or she has the right to protest or request reconsideration and provide additional information that supports their position. Contact L&I at 1-800-547-8367 if your employer declines to file your claim with L&I or discourages you from filing a claim.

Can my employer fire me for filing a claim?

No, your employer cannot take an adverse employment action against you for filing a claim. However, if your injury was a result of unsafe practices or violation of the employer's policies, you may be subject to disciplinary actions consistent with your employer's policies. Contact L&I immediately at 1-800-547-8367 if you need assistance.

If I file a claim through my employer, how will my health-care provider know that I filed a claim with my employer and the claim number?

The accident report forms are all pre-numbered and begin with "EF". You need to inform your health-care provider that you filed a claim with your employer and give them their section of the employer-filed report of accident. Ask that they fill it out and send it to the department right away.

What if my employer and health-care provider each file a claim for my injury or exposure?

We have a process in place to identify when more than one claim is filed for the same injury or exposure. However, it would be helpful if you notify L&I if and when this occurs.

If I file a claim through my employer, when can I anticipate hearing from L&I?

If your injury resulted in your inability to work, you should receive a time-loss benefit payment within 14 days of L&I receiving the worker section and the medical certification from your health-care provider. If you have not received time-loss benefits within 14 days of submitting the claim, please contact the department. If you did not lose time from work, but only required medical treatment, you may not receive notification until the department issues a decision on the acceptance of your claim. You can verify the status of your claim by contacting the nearest L&I office or the L&I Information Hotline 1-800-547-8367. Please refer to your claim number when you contact the department. You may also review your claim information online at www.ClaimInfo.LNI.wa.gov.

Will I be able to provide feedback to L&I regarding my experience with this pilot project?

Yes. L&I will be conducting a confidential survey of workers. However, if you experience problems with filing a claim through your employer, please contact the department or your claim manager immediately.

Who can I call if I have questions about the Employer Reporting Pilot Project?

Contact L&I at 360-902-6201.



Employer Reporting Pilot Project Questions and Answers for Employers

F242-378-000 [11-2006]

What does 'Employer Reporting' mean?

Currently in Washington State, a workers' compensation claim for a work-related injury or occupational disease can only be filed through the injured worker's health-care provider. Employer Reporting is a two-year pilot program that will give workers at participating companies the option of filing a claim through either the employer or the health-care provider of the worker's choice.

What is the employer's role with employer reporting?

Your assistance to the worker is key to the success of this project. When completing the accident report form, you will need to be sure that your worker understands the process of filing a claim through you. You also need to inform the worker of his or her right to seek treatment from the health-care provider of their choice, and that the provider needs to complete the health-care provider section of the report.

What are the benefits for an employer if the worker files a claim through the employer?

By knowing about an incident and claim early, you can identify safety hazards more quickly and take corrective action. You also will be able to consider whether you have light or modified duty work to offer the worker during his or her recovery, or keep the worker on salary while they recover. These steps maintain the relationship between you and your employee. Reduced disability and safer workplaces will result in lower workers' compensation rates.

Is an incident report the same as filing a report of accident?

No. An incident report is an internal document for a company that often is required as part of an accident prevention and risk management program, or is required by state or federal regulation. If a work-related condition requires medical treatment, the worker will need to file a report of accident with L&I, either through their employer or health-care provider.

Will there be additional work for the employer?

Some. The employer will need to provide the worker with written materials explaining employer reporting, and written confirmation that the worker chose to initiate a claim through the employer. Employers also must provide L&I with logs of on-the-job accidents and exposures, assist L&I in periodic surveys of their workers regarding employer reporting, and provide L&I with information that may be needed for a report to the Legislature.

What is the timeframe for an employer to submit the report of accident?

An employer has two days from the date the employer completes their section to submit it to L&I. Of course, you should complete your section as soon as you are informed of a condition that will require a claim, and you should strongly encourage the worker to complete the worker section before you send the employer section to L&I. The employer may either mail or fax the report. Our fax numbers are 1-360-902-4500 or 1-800-910-5769.

Continued on reverse

If a worker files a claim through the employer, how will the health-care provider know?

The report of accident forms are pre-numbered and begin with “EF”. The worker will need to tell the health-care provider that a claim was filed with the employer and give them the health-care provider section of the report of accident. If the health-care provider also files a claim, L&I has a process in place to identify when more than one claim is filed for an injury or exposure. However, it will be helpful if you notify L&I if and when this occurs.

What if the worker doesn’t complete their section of the form?

The report of accident is designed for the employer and worker to complete together and for the employer to submit to L&I. However, it is the worker’s responsibility to make sure that L&I receives the completed worker section. L&I can not initiate a claim based on the employer section alone. We must have the worker section. You should take every reasonable step to make sure the worker understands this and to have the worker complete their section before you submit the form.

Is the worker required to file a claim through the employer?

No. The employer can encourage the worker, as part of the pilot project, to file a claim through them. However, it is the worker’s choice if they want to file a claim through the employer or health-care provider. Qualified health-care providers include medical, osteopathic, chiropractic, naturopathic, and podiatric physicians; dentists; optometrists; and ophthalmologists. Advanced registered nurse practitioners and physician assistants may also provide treatment. Regardless of whether the worker chooses to file the claim through the employer or health-care provider, the worker, or someone on his/her behalf, is required to inform the employer of the accident that caused the need for medical treatment.

If a worker files a claim through the employer, can the employer direct the medical care and send the worker to a health-care provider of the employer’s choice?

No. By law the worker has the right to choose any qualified health-care provider to treat his/her work-related condition. The employer can not require a worker to seek treatment from a specific health-care provider or direct the medical treatment in a claim. L&I will continue to manage all aspects of a claim. If you suggest a health-care provider to your worker or offer to take an injured worker to a particular provider, you must inform the worker of their right to seek treatment from a provider of their choice.

What should I do if a worker comes to me, the employer, to file a claim and I question the validity of the incident? Do I still have to file the claim for the worker?

Yes. If a worker requests to file a claim through you, you must submit that claim. If you have additional information to provide to L&I regarding the claim, you should note that on your portion and attach a separate letter outlining your concerns when you submit the accident report. Be sure to file the claim with your comments questioning the claim validity.

If a worker files a claim through me – the employer– when will I receive the health-care provider’s information?

Once L&I receives the health-care provider section of the report of accident, we will provide you with a copy, similar to what we do today. You can also check the status of the claim through L&I’s Claim and Account Center at www.ClaimInfo.LNI.wa.gov.

Who can I call if I have questions or comments about the Employer Reporting Pilot Project?

You can contact Sara Spiering, Project Manager at 360-902-5658 or Shirley Morris, Project Lead, at 360-902-6201.

More information can be found on our web site: www.LNI.wa.gov.

Appendix C — L&I communications with workers regarding missing medical documentation

1. Example of wording for letter to go with rejection order when no medical received.

Dear Mr., Ms., Mrs.,

Your claim for the (date) on-the-job injury has been rejected because we have not received a licensed physician's report or medical proof an injury or condition occurred in the course of employment as required by law.

I issued a Rejection Order on (date). If you did (or if you plan to) seek treatment for this injury, you have 60 days from the date I issued the order to request reconsideration in writing. Please have your medical provider submit the provider's portion of your claim form and/or any related medical reports also within 60 days.

- If I receive the above requested information within this time limit, I can review the claim again and make a further decision.
- If I do not receive additional information within the 60 days, the rejection will become final. This means the claim you filed for the (date) on-the-job injury was rejected and the Department will be unable to pay any benefits for that injury at any time in the future.

I will do everything I can to help you receive the benefits to which you are entitled. Call me at the number indicated below if you need help. Please have your claim number ready.

2. Example of wording for letter to worker when unable to contact them by phone regarding who they saw for treatment.

Dear Mr. Doe:

I am sorry that I have not been able to reach you. I tried to call you on (date) to let you know that I cannot make a decision on your claim for the (date) on-the-job injury until I receive the medical information required by law.

If you received medical treatment for this injury, please ask your health-care provider to submit the medical portion of the industrial injury report form. The report can be faxed to 1-800-941-2976.

If you have not seen a licensed health-care provider but plan to seek treatment for this injury, please do so immediately. Be sure to take the report of industrial injury report form you completed with your employer to your licensed medical provider. Ask them to complete the health-care portion of the form and submit it to the department as soon as possible with any related medical reports.

If I do not receive this information within 30 days, I will be required to reject the claim.

It is important to me that you receive your entitled benefits. Call me at the number below if you need help. Please have your claim number ready.

Very truly yours,

Cc to emp